

**MINUTES  
REGULAR MEETING  
UTILITY SERVICE BOARD  
SEPTEMBER 19, 2005**

The Regular Meeting of the Utility Service Board of the City of Jasper, Indiana, was held in the Council Chambers of City Hall in Jasper at 7:00 PM on Monday, September 19, 2005.

The meeting was called to order by Chairman Greg A. Krodel who presided.

**UPON CALL OF THE ROLL, THE FOLLOWING WERE PRESENT:**

Greg A. Krodel – Chairman  
Mike Harder – Vice Chairman  
Ken Sendelweck – Secretary  
Michael A. Schwenk – Electric Commissioner  
Jeffrey S. Theising – Water Commissioner  
Edward J. Kreilein – Wastewater Commissioner  
Alex Emmons – Gas Commissioner

**ALSO PRESENT:**

Jerry Schitter – Electric Distribution Manager  
Windell Toby – Electric Generation Manager  
Thomas A. Lents – Wastewater Manager  
Michael A. Oeding – Gas & Water Manager  
Kenneth R. Schultz – Business Manager  
Sandy Hemmerlein – City Attorney

**PLEDGE OF ALLEGIANCE** (B-19)

Chairman Greg Krodel led the Pledge of Allegiance.

**BID OPENING: WIRE STORAGE BUILDING – ELECTRIC DISTRIBUTION** (B-27)

Sandy Hemmerlein stated the notice to bidders was published in the Herald on September 3, 2005 and on September 10, 2005.

Hemmerlein opened the bids and read them aloud as follows:

- |    |                            |              |
|----|----------------------------|--------------|
| 1. | Craftsman Construction Co. | \$137,401.00 |
|----|----------------------------|--------------|

A bid bond was included with the bid.

- |    |                   |              |
|----|-------------------|--------------|
| 2. | Krempf Lumber Co. | \$108,600.00 |
|----|-------------------|--------------|

A bid bond and a non-collusion affidavit were included with the bid.

Jerry Schitter asked for time during the meeting for City Engineer Chad Hurm to review the bids and report back at the end of the meeting. The Board agreed.

**QUOTE OPENING: DRYING BEDS CONCRETE WORK – WASTEWATER** (B-77)

Sandy Hemmerlein opened the quotes and read them aloud as follows:

- |    |   |              |
|----|---|--------------|
| 1. | Aqua Utility Services<br>Jeffersonville, IN | \$114,299.00 |
| 2. | Krempp Lumber                               | \$71,800.00  |

Ken Sendelweck made a motion for Tom Lents to take the quotes under advisement and report back at the next meeting.

**APPROVAL OF MINUTES** (B-115)

Sandy Hemmerlein stated the August 15, 2005 minutes were correct as distributed, but after that meeting, Mr. & Mrs. Jacob decided to change the name of the subdivision, on which out of City connection to the sanitary sewer was approved, from Maui Ridge to Maple Ridge. Hemmerlein recommended approving the minutes as presented, with the note of the name change.

Chairman Krodel presented the minutes of the August 15, 2005 meeting for approval with a note to change the name from Maui Ridge Subdivision to Maple Ridge Subdivision. Mike Harder made a motion to approve the minutes of the August meeting with a note to change the name of the subdivision from Maui Ridge to Maple Ridge. Mike Schwenk seconded the motion. Motion approved, 7-0.

**UPDATE – GENERATOR FIELD** (B-155)

Windell Toby reported the generator field was returned to the Power Plant last Tuesday and it has been installed in the generator. They are currently setting bearings and turning gear housing, and it should be together in the next few days.

**UPDATE – BOILER FEED PUMP** (B-161)

Windell Toby reported the boiler feed pump is currently undergoing repairs and is due to be shipped back on October 15<sup>th</sup>. Toby said he hopes to be back on-line by November 1<sup>st</sup>.

**ELECTRIC PLANNING COMMITTEE REPORT** (B-171)

Mike Schwenk, Chairman of the Electric Planning Committee, recommended to Windell Toby to keep in regular contact with the company repairing the boiler feed pump to make sure they are staying on schedule. Toby agreed.

**UPDATE – SOUTHEAST SIDE GAS MAIN PROJECT** (B-182)

Mike Oeding reported that all of the pipe is in place and has been tested. They will be setting the station in about 1-2 weeks.

**REQUEST FOR EDUCATIONAL REIMBURSEMENT FOR 4<sup>TH</sup> QUARTER** (B-196)

Mike Oeding asked for Board approval to reimburse \$1,544.00 to Mike Gould upon successful completion of a computer networking class.

Ed Kreilein made a motion for reimbursement to Mike Gould for a computer networking class in the amount of \$1,544.00, subject to successful completion of the class. Jeff Theising seconded the motion. Motion approved, 7-0.

**NEW CONTRACT FORM FROM STATE FOR HWY 56 PROJECT** (B-215)

Mike Oeding informed the Board the State is requiring signature on a new contract form for the Hwy. 56 project.

Sandy Hemmerlein reviewed the new set of documents and recommended their approval.

Ken Sendelweck made a motion to approve the new forms as presented. Mike Schwenk seconded the motion. Motion approved, 7-0.

**NEW CONTRACT FOR WATER TOWER & BEAVER DAM MOWING** (B-237)

Mike Oeding presented a revised contract with Eckert Pool Supply, Inc. for water tower and Beaver Dam mowing.

Oeding stated the new rates are as follows:

\$350.00 per mowing at Beaver Dam  
\$65.00 per mowing at the Newton St. water tower  
\$55.00 per mowing at the north side and south side water towers  
\$55.00 per hour for additional equipment and labor as requested

Chairman Krodel asked Oeding if he has checked into alternatives such as hiring part-time help. Oeding said he has considered it, but his department doesn't have the specialized equipment needed for the job.

Alex Emmons made a motion to renew the mowing contract with Eckert Pool Supply, Inc. Jeff Theising seconded the motion. Motion approved, 7-0.

**PERMISSION TO REPLACE PART-TIME EMPLOYEE** (B-286)

Mike Oeding asked for Board approval to start the hiring process to replace a part-time employee who recently retired.

Mike Harder made a motion to allow Mike Oeding to start the hiring process to replace a part-time employee. Ed Kreilein seconded the motion. Motion approved, 7-0.

**PERMISSION TO REPLACE RETIRING EMPLOYEE** (B-304)

Mike Oeding asked for Board approval to start the hiring process to replace Distribution Foreman Dennis Mehringer who is retiring at the end of September. Oeding also asked for approval to continue the backfilling process if the replacement person is an internal candidate.

Ed Kreilein made a motion to allow Mike Oeding to replace the Distribution Foreman position as a result of a retiring employee, and if it's an internal candidate, to give Mike Oeding permission to continue the backfilling process. Ken Sendelweck seconded the motion. Motion approved, 7-0.

**REPORT ON ATMOS ENERGY MEETING** (B-333)

Mike Oeding reported that he attended an Atmos Energy meeting in West Virginia during the first week of September.

Oeding said a rough, cold winter is being predicted. Price moderation was expected earlier this week, but now Hurricane Rita is changing everything as we go.

Oeding presented statistics obtained at the meeting.

**GAS PLANNING COMMITTEE REPORT** (B-371)

Alex Emmons, Chairman of the Gas Planning Committee, reported the committee had met at 6:30 PM to discuss where gas prices are headed and gas purchase options.

Emmons said the committee recommended Board approval to give Mike Oeding authority to pre-buy our winter gas supply, upon consultation with the Gas Commissioner and as many other Gas Planning Committee members as possible.

Mike Oeding stated he monitors gas prices daily and he stays in close communication with Atmos.

Oeding said he currently has about a 15% supply locked in at \$7.00 per DTH and he is using as much of that supply as he can, but he would like approval to pre-buy another 25%-50% if and when the price is right.

Alex Emmons made a motion to grant authority to Mike Oeding to start buying the future gas upon consultation with the Gas Commissioner, based on partial strategy of incremental purchases of 25%, up to a 50% maximum. Ed Kreilein seconded the motion. Motion approved, 7-0.

**WATER PLANNING COMMITTEE REPORT** (B-553)

Jeff Theising, Chairman of the Water Planning Committee, stated the committee did not meet during the past month.

### **MANHOLE RELINING COST** (B-554)

Tom Lents reminded the Board that at the April meeting he was given approval for \$17,130.00 for a manhole relining project, but unfortunately that dollar amount was given in error. The original amount from the contractor should have been reported as \$19,850.00, but Lents said the actual cost of the project was \$18,500.00.

Mike Schwenk made a motion to increase the previously approved amount from \$17,130.00 to \$18,500.00 for the manhole relining project. Ken Sendelweck seconded the motion. Motion approved, 7-0.

### **WASTEWATER PLANNING COMMITTEE REPORT** (B-586)

Ed Kreilein, Chairman of the Wastewater Planning Committee, reported the committee met on September 7<sup>th</sup> and September 14<sup>th</sup> to discuss the results of the Commonwealth study of the northwest area collection system.

Kreilein presented the results to the Board and briefly reviewed the recommendations from Commonwealth. The committee is currently gathering additional information and will meet again on September 21<sup>st</sup>.

After some discussion, Chairman Krodel said he feels the development proposal of Windsong Estates that was requested last month needs to be placed on hold awaiting other alternatives from Commonwealth for a long-term solution. Kreilein said the committee agreed with Krodel and stated that has been conveyed to the developers.

Mike Schwenk made a motion to table the decision on the out of City sewer connection request for Windsong Estates for one additional month. Ed Kreilein seconded the motion. Motion approved, 7-0.

### **WASTEWATER DRYING BED PROJECT** (A-127)

Ken Schultz reminded the Board that we are accumulating money in our Plant Expansion Fund as a result of availability fees, and that fund has accumulated to about \$1,250,000.

Schultz asked for Board approval to utilize some of those funds to pay for the new drying beds. In doing so, Schultz said he could pull that project out of the rate study and it wouldn't have an impact on any possible rate adjustment.

Ken Sendelweck made a motion to allow Ken Schultz to utilize funds from the Plant Expansion Fund to pay for the Drying Bed Project specifically. Mike Harder seconded the motion. Motion approved, 7-0.

### **INTERCEPTOR IMPROVEMENT FUND** (A-156)

Ken Schultz stated the Interceptor Improvement Fund is being funded by connection fees and at this point approximately \$425,000 has accumulated.

Schultz asked for Board approval to utilize some, if not all, of those funds to pay for the Northwood and/or Portersville lift station projects.

Mike Schwenk made a motion to allow Ken Schultz to utilize some or all of the Interceptor Improvement Fund, presently at about \$425,000 to fund projects such as upgrading lift stations. Alex Emmons seconded the motion. Motion approved, 7-0.

#### **FINANCE COMMITTEE REPORT & PRESENTATION OF CLAIM DOCKET** (A-201)

Ken Sendelweck reported the Finance Committee had met and reviewed the claims on the Claim Docket.

Also presented was a claim on behalf of Harrison & Moberly, LLP in the amount of \$24,955.60, representing legal services relating to the Titan litigation issue for the Wastewater Project. SRF and BIF funds have been exhausted, therefore after Utility Service Board approval, the above referenced claims will be paid from Wastewater funds.

The Finance Committee recommended approval of the claims as presented.

Mike Harder made a motion to approve the claims as presented. Ed Kreilein seconded the motion. Motion approved, 7-0.

#### **NORFOLK SOUTHERN RAILWAY** (A-220)

Sandy Hemmerlein informed the Board that thanks to information received from Councilman Brad Seger, she was able to confirm that the March 1989 sewer license agreement between the City and Norfolk Southern Railway is no longer valid, and the Indiana Railway Museum is the owner of the property.

Hemmerlein reported that she received a copy of a letter that was sent to the Indiana Railway Museum by Norfolk Southern saying that they would be sending them a check in the amount of \$1,099.40 to cover the rental fee collected from us from January 1, 1997 to February 28, 2006.

Hemmerlein also said the Indiana Railway Museum has agreed to enter into an easement with the City.

#### **WIRE STORAGE BUILDING BIDS** (A-251)

City Engineer Chad Hurm stated that after reviewing the bids for the wire storage building, he recommended giving Jerry Schitter the authority to enter into a contract with the low bidder, Krempp Lumber Co., for the amount of \$108,600.00, subject to the verification of a couple items due to the discrepancy of the two bids. Hurm said he doesn't anticipate the items being an issue.

Mike Schwenk made a motion to allow Jerry Schitter to accept the low bid from Krempp Lumber Co. for \$108,600.00, subject to verification of a couple items by City Engineer Chad Hurm. Jeff Theising seconded the motion. Motion approved, 7-0.

**TITAN LITIGATION** (A-287)

Councilman Butch Schitter expressed his concerns over the on-going Titan litigation issue.

Sandy Hemmerlein stated there is a settlement conference with the court scheduled for October 4<sup>th</sup>.

Chairman Krodel said he agrees that there needs to be resolution.

There being no further business to come before the Board, the meeting was adjourned at 8:21 PM upon motion by Ed Kreilein and second by Jeff Theising. Motion approved, 7-0.

Attest: \_\_\_\_\_  
Secretary Chairman